

Contract Matters

Contracts are the lifeblood of stakeholders who depend on water provided by the Central Valley Project. The following pages contain descriptions of contract matters important to both stakeholders and the Mid-Pacific Region that occurred during 2000.

East Bay Municipal Utility District Supplemental Water Supply Project (13)

THE EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD) and the County and City of Sacramento have had a long-standing dispute over diversions of water from the Lower American River. The dispute stalled the completion of a contract amendment between Reclamation and EBMUD. A Draft Environmental Impact Statement (EIS) was developed in 1997, and Reclamation and EBMUD negotiated more than 14 months in 20 public sessions; a draft amendatory contract was made available for public comment in December 1998.



EBMUD is considering using water from the American River for part of its supply.

After two extensions to the comment period, it closed in July 1999. The Deputy Secretary for the Department of the Interior, while stressing that the ultimate responsibility for finding a solution to the impasse lay with EBMUD and the County and City, offered the services of the Mid-Pacific Region to convene a collaborative problem-solving process.

Reclamation signed a Record of Decision (ROD) on January 19, 2001, to implement the Federal action to amend EBMUD's 1970 water service contract. The amendatory contract will provide for a selection of an alternative delivery site (the implementation of which will be a connected action to the contract amendment) under specific conditions. The amendatory contract will prohibit deliveries of water diverted at Nimbus Dam as currently provided in Article 9(a) of the existing 1970 contract. However, if permitting and necessary agreements for another point of diversion are not completed by a mutually agreed to date, then EBMUD will have the right to deliveries as provided in Article 9(a) of the existing 1970 contract. The amendatory contract will provide that in order for deliveries to occur at any of the diversion sites – including the one at Nimbus Dam – all relevant State and Federal laws and regulations must be complied with. The Contracting Officer will initiate and complete consultation under Section 7 of the Endangered Species Act and will comply with National Environmental Policy Act (NEPA), as applicable, prior to a diversion under an amendatory contract.

Mid-Pacific Region

**In The
News**

**The
Sacramento
Bee**

December 9, 2000

East Bay Water-
War Accord In The
Works -- Pact
Could End
30 Years of
Water
Wrangling . . .

Water Fact

Your next meal starts with a drop of water.

Reclamation water enables California's farmers to lead the nation in the production of more than 250 varieties of fruits, vegetables, nuts, dairy products, meats, grains, fish, and other crops.

The recommended action represents the best option for delivery of EBMUD's Central Valley Project water entitlement while providing assurances to protect the environment. The decision to allow use of one of the two identified diversion sites, under the identified conditions, avoids major controversies associated with other alternatives regarding American River issues and drinking water quality questions, and allows the potential resolution of many issues associated with EBMUD's diversion in a manner acceptable to the major interest groups.

The ROD for amendment of the existing 1970 water service contract (#14-06-200-5183A) between Reclamation and EBMUD is supported by the Final Environmental Impact Report/Environmental Impact Statement, EBMUD Supplemental Water Supply Project (FES00-54 dated December 15, 2000), developed in compliance with NEPA and the California Environmental Quality Act.

For additional information, contact the Central California Area Office at 916/988-1707 (TDD 916/989-7285).

Long-term Contract Renewals

The Mid-Pacific Region has completed negotiations for the long-term renewal of 50 of the 112 existing Central Valley Project (CVP) water service contracts. The 50 proposed draft contracts will provide for continued water service to 26 Friant Division, 2 Hidden and Buchanan Unit, 13 Delta-Mendota Canal, and 8 Cross Valley contractors, and to the Feather Water District.

The proposed contracts were made available for a 60-day public review and comment period while Reclamation completed the required site-specific documentation and Section 7 consultations. The proposed draft contracts were expected to be executed in mid-January 2001. Negotiations with the Tehama-Colusa Canal, Shasta Division, and American River, and various municipal and industrial water contractors including the Contra Costa Water District, are scheduled to be completed by April 2001. The negotiations include a maximum annual water delivery of 7.6 million acre-feet of agricultural and municipal and industrial water.

For additional information, contact the Division of Resources Management at 916/978-5200 (TDD 916/978-5608).



Friant Dam near Fresno, Calif., provides water through the Friant-Kern Canal to contractors in the East Valley.

Refuge Water Supply

The CVPIA directs Reclamation to provide directly or through contractual agreements with other appropriate parties firm water supplies of suitable quality to maintain and improve wetland habitat areas on units of the National Wildlife Refuge System in California's Central Valley; on the Gray Lodge, Los Banos, Volta, North Grasslands, and Mendota state wildlife management areas; and on the Grasslands

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Resource Conservation District in the Central Valley. To fulfill this directive in 2000, Reclamation negotiated and released for public review and comment five long-term agreements including two water supply contracts with the California Department of Fish and Game, one contract with the Grassland Water District to provide water supplies to lands within the Grassland Resource Conservation District, and two Memoranda of Understanding with the U.S. Fish and Wildlife Service. These agreements are to provide the firm water supplies of suitable quality to maintain and improve the wetland habitat areas listed above.



This Great White Egret is one of the species benefitting from the Refuge Water Supply program.

Reclamation also completed long-term agreements with five water conveyance entities to wheel the above-listed water supplies. Several of these contracts included facilities improvements to provide capacity within the systems to meet the refuge demands. These agreements are funded annually to fulfill the commitments to the refuges. Reclamation currently has four additional interim agreements for conveyance of water supplies which are funded annually and are in various stages of planning or negotiations to finalize as long-term conveyance agreements, including necessary facilities improvements.

For additional information, contact the Division of Resources Management at 916/978-5200 (TDD 916/978-5608).

Title Transfers

In 2000, the Congress passed and the President signed the transfer of the Sly Park Unit to the El Dorado Irrigation District. The Sugar Pine Unit transfer to the Forest Hills Public Utility District and the transfer of the Clear Creek Distribution System to the Clear Creek Community Services District were passed by Congress and are awaiting the President's signature. The Clear Creek transfer is the first in Reclamation to be accomplished through Reclamation's Title Transfer Framework. Also in 2000, a contract for the transfer of the Carpinteria Distribution System to the Carpinteria Water District was negotiated. Public Scoping on the transfer of the Monticito Distribution System was conducted and a contract is expected to be negotiated in 2001. A joint bill will be introduced to Congress in its 2001 session approving both the Carpinteria and Monticito transfers. Preliminary discussions for the transfer of 10 distribution systems in the Friant Division were held and preliminary work is under way.

For additional information, contact the Division of Resources Management at 916/978-5200 (TDD 916/978-5608).

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In The News

The Sacramento Bee

September 5, 2000

Pricey Fish
Screens aim to
Save Salmon: City
Set to Spend \$22
Million to Guard
Against Fish from
Being Sucked into
Intake Pipes . . .